

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

W.R. GRACE & CO., et al.

Debtors.

Chapter 11

Case No. 01-01139 (JKF)

(Jointly Administered)

related #11919

**ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT OF
PIPER JAFFRAY & CO. AS FINANCIAL ADVISOR TO
DAVID T. AUSTERN, FUTURE CLAIMANTS' REPRESENTATIVE**

Upon the application (the "Application") of David T. Austern, Future Claimants' Representative ("Future Claimants' Representative") in the above-captioned chapter 11 cases of W.R. Grace & Co. and its affiliates (collectively, the "Debtors"), seeking entry of an Order under sections 328 and 1103(a) of the Bankruptcy Code authorizing the Future Claimants' Representative to employ and retain Piper Jaffray & Co. ("PJC") as financial advisor to the Future Claimants' Representative; and the Court having reviewed the Application and the accompanying Declaration of Joseph J. Radecki, Jr. (the "Radecki Declaration"), a Managing Director of PJC, and the Court being satisfied that PJC is disinterested, does not represent any other entity having an adverse interest in connection with these cases, and neither represents nor holds an interest adverse to the interests of the Future Claimants' Representative with respect to the matters on which PJC is to be employed; and it appearing that the relief requested is in the best interest of the Future Claimants' Representative and the Debtors' estates, their creditors and other parties-in-interest; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 158(a); and it further appearing that notice of the Application was good and sufficient under the particular circumstances and that no other or further notice need be given and upon the record herein; and it further appearing that the terms and conditions of PJC's employment as

further described in the Application and the Radecki Declaration are reasonable and necessary; it is hereby

ORDERED, ADJUDGED AND DECREED THAT:

1. The Application be, and it hereby is, approved;
2. Pursuant to sections 328 and 1103(a) of the Bankruptcy Code and the May 24, 2004 Order appointing David T. Austern as the Future Claimants' Representative [Bankr. Dkt. No. 5645], the Future Claimants' Representative be, and he hereby is, authorized to employ and retain PJC as financial advisor, effective as of February 13, 2006, upon the terms, and to perform the services, set forth in the Application and Radecki Declaration, so long as David T. Austern serves as the legal representative for individuals who may assert asbestos-related claims and/or demands in the future against the Debtors;
3. The indemnification provisions set forth in the engagement letter between the Future Claimants' Representative and PJC, attached to the Declaration as Exhibit 1, including Annex A thereto (the "Engagement Agreement"), are incorporated by reference and are hereby approved;
4. PJC shall be compensated in accordance with the terms of the Engagement Agreement and section 328(a) of the Bankruptcy Code, subject to the procedures set forth in the Bankruptcy Code, Bankruptcy Rules and the Local Rules as may then be applicable, from time to time, and such procedures as may be fixed by order of this Court, including the Administrative Compensation Order(s) entered in these cases; and

5. The fees and expenses of PJC allowed by the Court shall be an administrative expense of the Debtors' estates.

Dated: May 8, 2006

Judith K. Fitzgerald

The Honorable Judith K. Fitzgerald
United States Bankruptcy Judge

Jr